PART 1: PROGRAMMATIC BUYING BASICS & REVENUE TRENDS

Kirk MacDonald | AdTaxi, President | @kirkmac | Atlanta, GA | 2.23.15

"Anyone who stops learning is old, whether at twenty or eighty. Anyone who keeps **LEARNING** stays young. The greatest thing in life is to keep your mind young." - Henry Ford

THE END OF GEOGRAPHY:

Air Conditioning | Credit Cards | Television | The Internet | Cell Phones

"If you're still betting on geography, on winning merely because you're local, I hope you have a special case in mind." – Seth Godin

Source: Seth Godin's Blog, January 31, 2015

WHAT IS PROGRAMMATIC?

Digital ad impressions





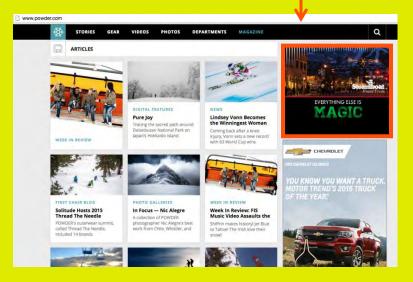


TO THE WORLD FAMOUS CHAMPAGNE POWDER® SNOW OF STEAMBOAT FOR LESS.

CHECK AIRFARES HERE

Bought or sold, and optimized in an **automated** environment

Served either on desktop or mobile via banners or video.



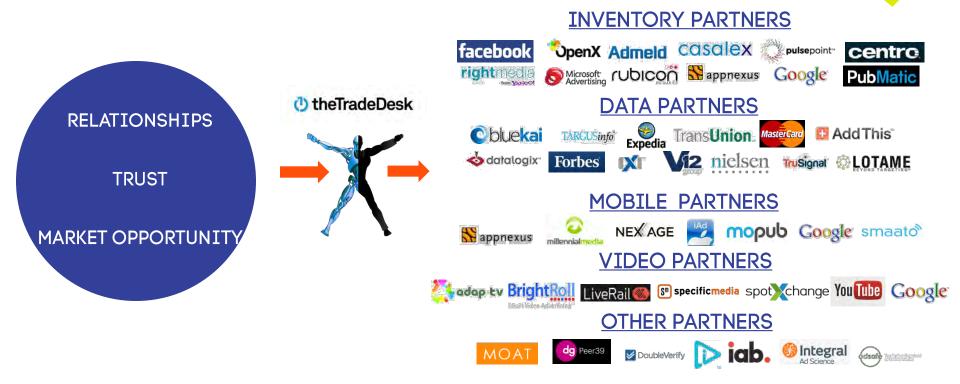
WHAT IS RTB? A SUBSET OF PROGRAMMATIC.

Media is bought and sold in an open environment

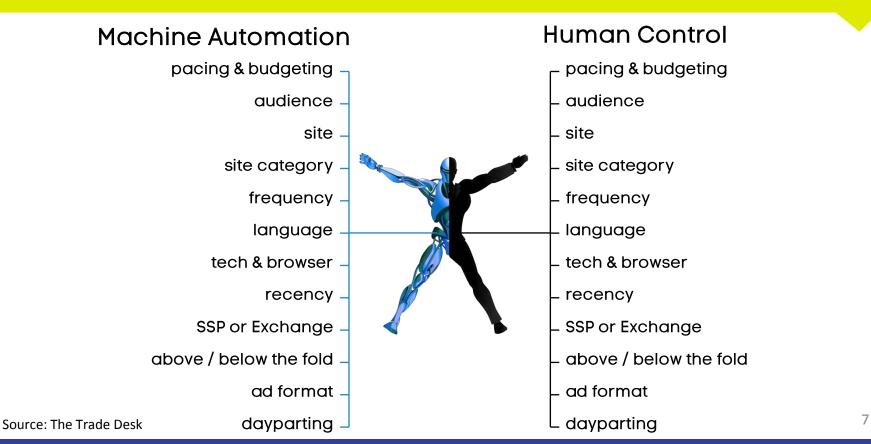
via a bid

Bidding process takes place before web page loads Leverages data to inform the buying and selling process

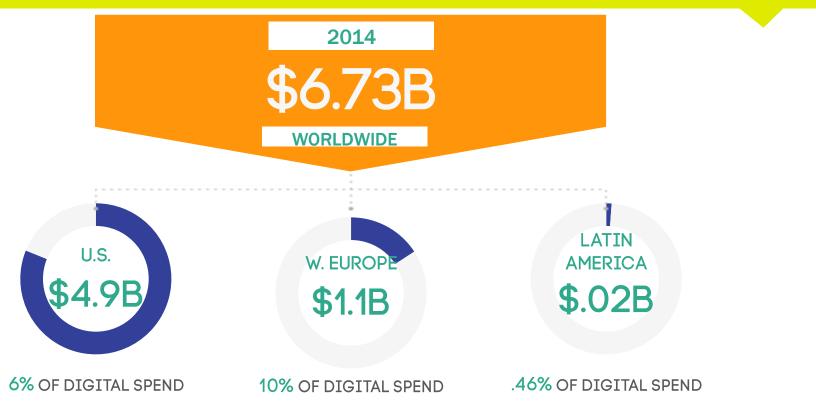
PROGRAMMATIC MODEL



MACHINE AUTOMATION + HUMAN CONTROL

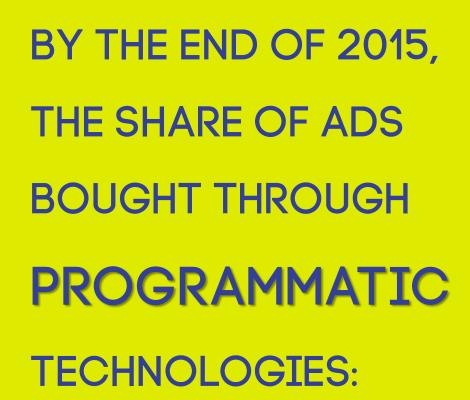


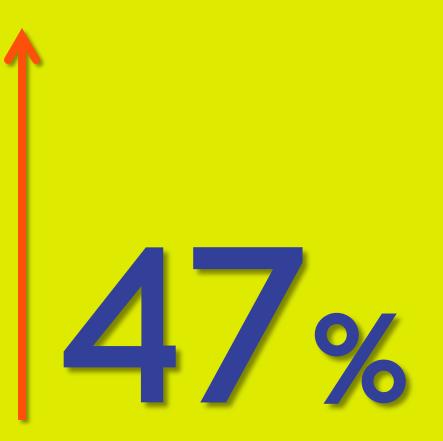
WHAT IS AT STAKE? OPPORTUNITY



PROJECTED GROWTH OF THE RTB MARKET







Source: Fourth Source, IAB

BY 2017,

60-75% OF

TOTAL DIGITAL DISPLAY

ADVERTISING WILL BE

BOUGHT THROUGH

PROGRAMMATIC

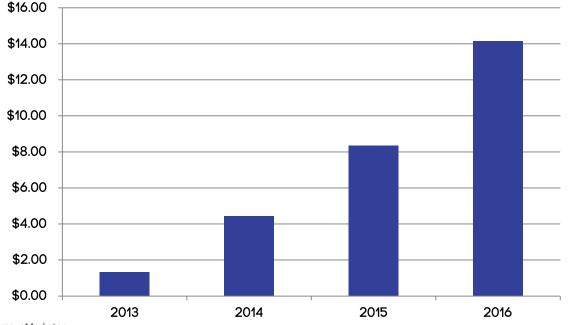
TECHNOLOGIES.

PROGRAMMATIC NON-PROGRAMMATIC

Source: Fourth Source, IAB

PROGRAMMATIC MOBILE

US Mobile Programmatic Display Ad Spending 2013-2016 (billions)



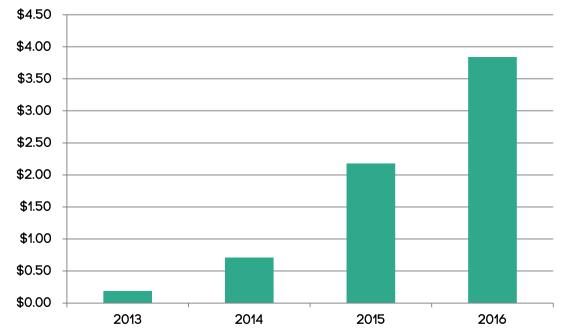
Spending on Programmatic Advertising via Mobile increases from 25% of total mobile display ad spend in 2013 to 68% in 2016.

Source: eMarketer



PROGRAMMATIC VIDEO

US Video Programmatic Display Ad Spending 2013-2016 (billions)



Spending on Programmatic Advertising via Video increases from 5% of total digital video ad spend in 2013 to 40% in 2016.

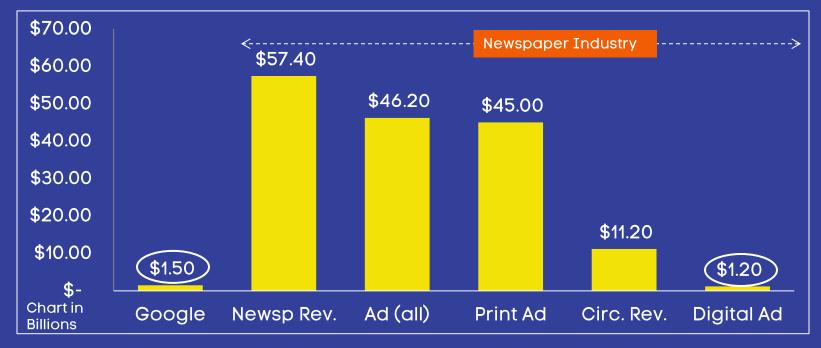
Source: eMarketer

AOL Q3 2014 EARNINGS

AOL Earnings Release: Summary Results (in millions)					
Revenues	Q3 2014	Q3 2013	Change		
Global Advertising and Other	473.4	399.7	18%		
AOL Properties Display	141.5	141.9	0%		
AOL Properties Search	97.9	95	3%		
Third Party Platform	215.1	149.1	44%		
Other	18.9	13.7	38%		
Supscription	153.4	161.6	-5%		
Total Revenues	561.3	626.8	12%		

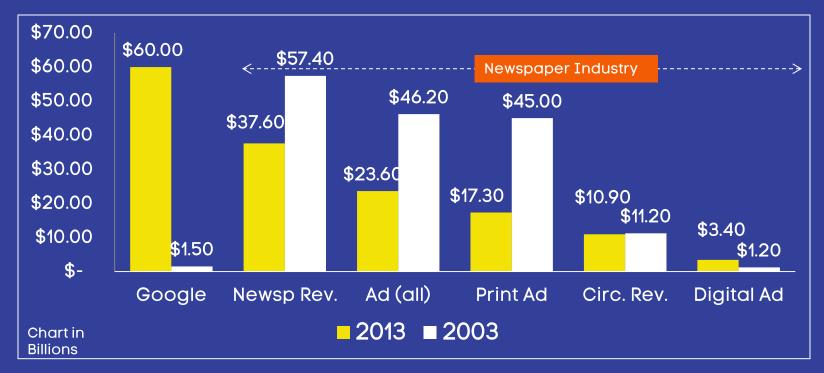
Source: AOL: "AOL REPORTS DOUBLE-DIGIT REVENUE GROWTH IN Q3 2014 "

In 2003, the US newspapers were dwarfing Google in terms of revenue, even digital ad revenues were equivalent



Source: The Monday Note Blog, "Legacy Media: The Lost Decade In Six Charts", Frederic Filloux

Ten years later, a different picture emerges...



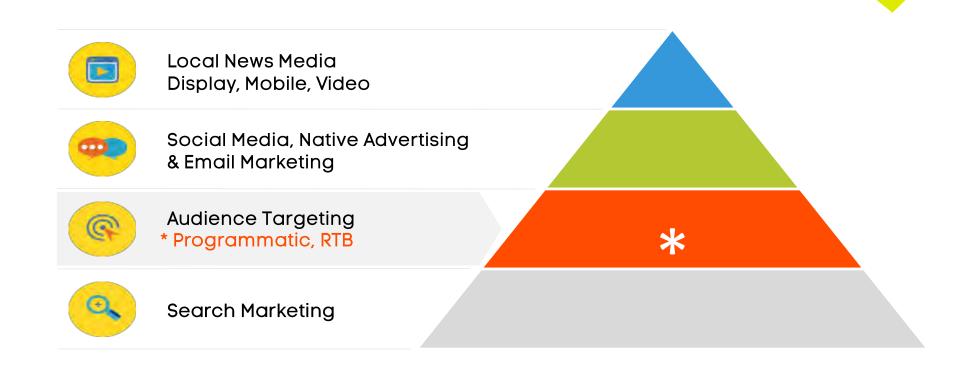
Source: The Monday Note Blog, "Legacy Media: The Lost Decade In Six Charts", Frederic Filloux



Network

(sites beyond your owned & operated newspaper.com)

DIGITAL PRODUCT SUITE



TWO MODELS

SMB

MLB

- \$500 \$700/ mo. Average Deal Size
- Service Categories: Handyman, HVAC, Restaurant
- Web Dev.
- Heavy Search Marketing
- High Cost of Fulfillment
- Directories
- High penetration of SMB accounts in local marketing
- Lower retention

- \$4k/mo. Average Deal Size
- Categories: Entertainment, Auto, Healthcare, Finance, Travel, Real Estate, Mattress / Furniture, Education
- 3+ products / deal
- Programmatic + Search Focus
- 6 12 month campaign lengths
- Higher Retention

HOTTEST OPPORTUNITIES



DIGITAL AGENCY CHECKLIST

- Invest in a Digital IO tool
- Invest in a CRM
- Defined digital product stack
- Invest in a Campaign Reporting dashboard
- Sales training resource(s) (for digital marketing fluency)
- Well developed product knowledge base
- Contract with top behavioral data-providers
- Invest in robust fraud detection/mitigation capabilities/human resources
- Third Party DSP
- Invest in a DMP
- Hire a Campaign Manager



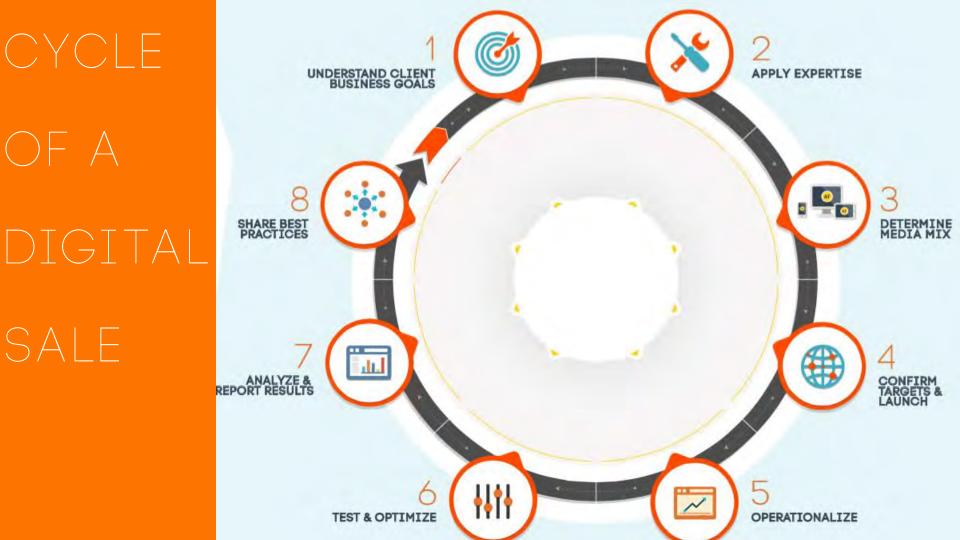




Source: The Wisdom Chamber

23

PART 2: BEST PRACTICES







3. MANAGE CAMPAIGN & OPTIMIZE













PROGRAMMATIC

GOOGLE ADWORDS PREMIER SMB PARTNER

As a Google Partner we provide:

EXPERTISE: In-depth expertise in AdWords, your local market, and Google technologies that support advertising

EXECUTION: Skilled, full-service AdWords campaign management, from setup to optimization

TRACKING: Regular, detailed reports with meaningful metrics that deliver key insights into your AdWords campaign performance

SUPPORT: Marketing guidance and support to help you actively manage your marketing programs, making it easier for you to focus on running your business



SEARCH ENGINE MARKETING



Search Engine Marketing

Search Engine Marketing reaches customers at the **end of the sales funnel**, who are either actively shopping, or researching a product/service. AdTaxi reaches these customers with the appropriate message on the major search engines, corresponding to their intent.

Customer Behavior	Business Goal	AdTaxi Strategy		
Shopper	eCommerce sales	 Google Shopping Ads Product Listing Ads 		
	In-Store purchases	Local-Availability product ads		
Researcher	Guide customer closer to purchase	Focus on research- oriented keywords, emphasizing business expertise in industry, to build trust & credibility		

SEARCH ENGINE OPTIMIZATION

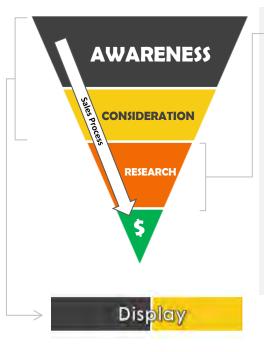
Keywords that require Optimization

		Search
Keyword		Volume/mo.
west covina mercedes	11	320
toyota west covina	19	590
toyota southern california	20	210
SoCal Audi dealers	20	110
range rover cerritos	20	110
toyota of west covina	17	210
audi west covina	14	720
audi southern california	14	210
honda west covina	13	590
west covina honda	15	590
Avg. & Sum		3660

Search Engine Optimization (SEO) is the process of enhancing one's Website to give search engines the best depiction of the content that resides on that site. For an additional investment, enhancements can be made to the site in order to create a better user experience for all online viewers in addition to search engine spiders (software robots).

Due to the nature of Google and the other major search engines, SEO campaigns require time (12 months) and patience, but yields long term success.

RETARGETING



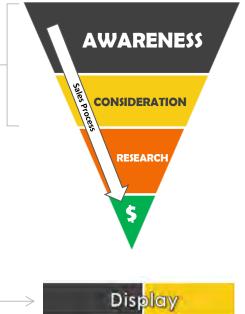
Retargeting

The purpose of retargeting is to deliver a relevant message to a potential customer who has been researching on the business website. The main goal is to assist the customer down the sales funnel with creative messaging.

Value of Retargeting				
95-98% of website traffic leave a site without making a transaction.*				
Efficient use of marketing budget:	Market to people who have recently demonstrated interest in your brand.			
Retargeted users are 70% more likely to complete a purchase .*				
Deta	1 Time on site			
Retar campaigns gei	👃 Bounce Rate			
see above in	1 CTR			
average res	average results in:			

...

DISPLAY: MULTI-CHANNEL RTB



MULITCHANNEL RTB

AdTaxi has access to all RTB inventory across display, mobile, video, and Facebook.

- Retargeting
- Search Retargeting
- IP Targeting
- Geo targeting and reporting down to the zip code level
- Audience Targeting using 3rd party data
- Audience Extension for publishers
- Contextual targeting to sites based on keywords or categories
- Site list targeting
- Dynamic creative optimization
- Facebook Exchange News Feed and right-hand rail
- YouTube / YouTube promotion

CROSS PLATFORM OPTIMIZED DISPLAY

Through cross platform optimization, we are able to allocate budget to the best performing line items across all devices (desktop, mobile, tablet, & video).

FACEBOOK



Increase Online Traffic and Conversions

- Find your target customers among the 699 million people on Facebook everyday
- Drive people to your website with one click from the most engaging place on Facebook
- Measure how your ads are performing, and optimize them for even higher returns

Drive Local Sales

- Find people near your business with accurate targeting
- Increase foot traffic with ads that bring new customers into your store
- Drive sales and build loyalty by connecting regularly with customers

Custom Audiences

- Use your own contact list to reach customers with targeted ads on Facebook.
- Once contacts have been uploaded, you can target matched users with ads for your site, Facebook Page or mobile app.

YOUTUBE



Reach customers

- Deliver your message to the right people at the right time with video ads. Every business has an audience on YouTube.
- Share your story
 - Video ads help you connect with people in a unique way-show them what you do, how you do it, and why you love it.
- Get new business
 - Video ads drive results. Bring more people to your website, create awareness and increase sales.
- Promote YouTube videos
 - Video Sites
 - Social Media Sites
 - Blogs
 - Mobile Apps
 - Games
- Benefits
 - Increase Website Traffic
 - Increase YouTube Views
 - SEO Benefits
 - YouTube Rankings

NATIVE ADVERTISING

AdTaxi's Native Advertising solution distributes sponsored, branded content across our newspaper web and mobile properties to connect with our highly engaged and educated audience.

ARTICLE PAGE FEATURES:

- Sponsored content disclosure
- 100% SOV 300x250 or 300x600
- Advertiser's social feeds
- Sponsor call-out with logo + CTURL

OBLISHER	SITE - Homepage
Sponsored Content Headline	



ANALYTICS & OPTIMIZATION STRATEGY

- 1. Set up a strong analytical/data capture infrastructure
 - Utilize a unified data layer to streamline implementation of the following:
 - Conversion Tracking
 - Retargeting Segmentation
 - Predictive Modeling
 - UTM filter all linking URLs
 - Proxy Sites
- 2. Begin campaign with initial targeting
- 3. Optimize between DataSets, Content Targets, platforms & inventory sources continuously
- 4. Refine our targets and messaging based on performance data

	T Dasht	oard	\delta Campaigns	Eea	ds 🕺	Traffic	WorkSpac	e 7 Ma	anage 🖌	Account	
10	Campaign	5									
D	ISPLAY SE	VP.	OTHER	MOBILE	SOCIA	L					
			_		70	30D	90D	Date rang	e: 10	/9/13 - 11/8/13	
									1	Create Summ	ary
	Network 1										
	Display Camp	aion Su	mmary Dis	play Creativ	e Summary						
			e Details								
	At a Glance	VL		Creative			Impressions	Clicks	CTR -	Conversio	Conversion
	St	P			72625_160×800.g	p_Content_Oct15	15,695	135	0.86%	0	Rate 0.00
	Impressions Del				72625_300×250.	pg_Content_Oct15	51,774	224	0.43%	0	0.00
	Pace	Q			172625 726400	og_Content_Oct15	37,995	157	0.41%		0.0
	Clicks			172625_160×600.jpg			1,565	4	0.26%	0	
	Click Through Ra	-									
	Conversions	P		172625_728×90.jp			4,724	8		0	
	Conversion Rate	P			17.	2625_300x250.jpg	3,416		0.12%	0	0.00
		ø		172625_728×90	swf_ContentTarg	eting_2059_Oct16	40,101	38	0.08%	0	0.00
10-	the summittee growing	other channel	H1							0	0.00
	Il Traffic	the statement of	fainted							0	0.0
	O At Viets									0	0.0
	Laptoras									0	0.01
	tormary Similary Goal he	() Economic	+.							0	0.00
	Wiste										
	1.200					-	~			-	
	1.444				-				~		
									145.2		
						-					
	ang Jari D		anal	.49.27		Jan pak					
			capitaria conteni -	.49.27		.av ali	and				
	ant Jan 22 mary Simanan, kautar (Makash mar Kour Tananag amatasia		capitaria conteni -	AP 27		an si				fit cannot in [
	ang Jan 22 may Dinangan, kaura / Nederah		Capital and -	an 2 ⁴ S. Insu Confit	Non-states		Pagestoine dag				
	ant Jan 22 mary Simanan, kautar (Makash mar Kour Tananag amatasia		Asparation and a social and a	5. may conto 5.3. (37%)	14 0.00	Banatos Basainas Kata 28.20%	5.44	00:05:21	ananiana (maia) y yana Yana Mi wakan Sana A C		
Sarer	uni		Aspensi mini - Aspensi - Aspensi	Na Hann Childe		Banatur Baaren Sala		unier manamier	ananiana (maia) y yana Yana Mi wakan Sana A C	O 54%	
	and are at may prove the same a feature in the same and a same and same a sa same a same a same a same a same a same		Augustantian Augustantian Status 4 14,122 Surface Torontian	53.87%	7,608	Emiliar Statis Statis 28,29% 28,29%	5.44	00:05.21	ananiana (maia) y yana Yana Mi wakan Sana A C	0.54%	
- Tanen	and any Densel Manager States (Maddan Manager States) Same (Maddan Same		Aspending and a Aspending States 4 14,122 Surface and a APRS (ching)	5. Insu Galde 53.87% Internet 5.115 105 105 105 105 105 105 105 105 105	7,608	виниения вылося Адбо 28.29% (стор) 22.77%	5.44 59 (11) 600	00:05:21	ananiana (maia) y yana Yana Mi wakan Sana A C	0.54% 0.84%	

CAMPAIGN STRUCTURE



- Increase awareness of the Group to ultimately result in increased sales
- Draw buyers from outlying markets



Product	Allocation per month (September-April)			
Retargeting & Display (Desktop, Mobile, Tablet, Pre-Roll)	\$50,000/month			
Geo-Fencing dealerships	Custom			
Email Solutions	Custom			
Facebook / YouTube Promotion	\$10,000/month			
SEO	\$10,000/month			
SEM	\$80,000/month			
Total	\$150,000/month			





3. MANAGE CAMPAIGN & OPTIMIZE









3. MANAGE CAMPAIGN & OPTIMIZE



MANAGE CAMPAIGN & OPTIMIZE





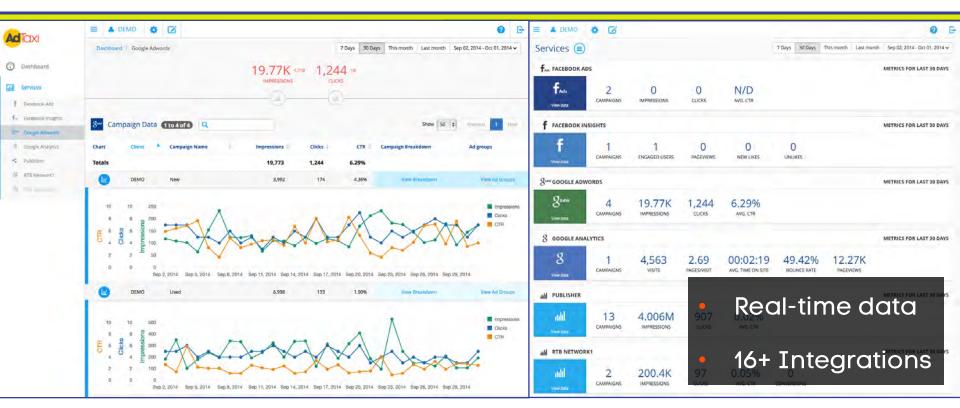


3. MANAGE CAMPAIGN & OPTIMIZE



REPORT PERFORMANCE







THANK YOU



Kirk MacDonald AdTaxi, President @KirkMac

Atlanta, GA | Date

Deck: Kylie Borgias